

**STATE WATER RESOURCES CONTROL BOARD  
BOARD MEETING SESSION – DIVISION OF FINANCIAL ASSISTANCE  
JULY 24, 2018**

**ITEM 4**

**SUBJECT**

CONSIDERATION OF A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OR DESIGNEE TO PROVIDE PROPOSITION 1 WATER RECYCLING RESEARCH FUNDS IN AN AMOUNT NOT TO EXCEED \$2.5 MILLION TO LAWRENCE BERKELEY NATIONAL LABORATORY OR LAWRENCE LIVERMORE NATIONAL LABORATORY FOR THE PURPOSE OF WATER RECYCLING RESEARCH AND DEVELOPMENT RELATED TO COST-EFFECTIVE AND ENERGY-EFFICIENT CLEAN WATER TECHNOLOGIES

**DISCUSSION**

The Department of Energy's (DOE) Advanced Manufacturing Office (AMO) intends to release a request for proposal (RFP) for the "Clean Water Hub" – a 5-year, \$100 million funding opportunity to build a national coalition of researchers from academia, the national labs, and industry to focus on water-related research and development (R&D) that could impact the cost-effective and energy efficient availability of clean water. AMO supports R&D projects, R&D consortia, and early-stage technical partnerships through competitive, merit reviewed funding opportunities designed to investigate new manufacturing technologies.

Two California-based teams led by Lawrence Livermore National Lab and Lawrence Berkeley National Lab are competing to host this R&D activity. The evaluation of the proposals will include consideration of the amount of matching funding each team can provide. Lawrence Berkeley National Laboratory and Lawrence Livermore National Laboratory have requested that the State Water Resources Control Board (State Water Board) provide them Proposition 1 water recycling funds in the amount of \$4 million per year for five years for a total of \$20 million.

On June 16, 2015, in adopting its Proposition 1 Guidelines for the Water Recycling Funding Program, the State Water Board reserved 2% (\$12.5 million) of its Proposition 1 water recycling funding to research and pilot projects. Half of those reserved funds have already been allocated to other competitive research projects. It is anticipated that other competitive research and pilot projects will apply for Proposition 1 water recycling funding over the next several years.

**POLICY ISSUE**

Should the State Water Board authorize the Executive Director or designee to provide up to \$2.5 million in Proposition 1 water recycling research grant funds to either Lawrence Berkeley National Laboratory or Lawrence Livermore National Laboratory, conditioned on the following:

1. Only one of the two entities may receive the Proposition 1 water recycling research grant;
2. The grantee shall have been awarded funding by DOE prior to execution of the Proposition 1 water recycling research grant;
3. The grantee must maintain eligibility for and be able to accept Proposition 1 funds; and
4. The authority hereunder sunsets on June 30, 2019?

## **FISCAL IMPACT**

Based on available funding, the maximum amount that could be allocated to a Water Hub effort at this point is \$6.25 million.

## **REGIONAL BOARD IMPACT**

None

## **STAFF RECOMMENDATION**

The State Water Board should authorize the Executive Director or designee to provide up to \$2.5 million in Proposition 1 water recycling research grant funds to either Lawrence Berkeley National Laboratory or Lawrence Livermore National Laboratory, conditioned on the following:

1. Only one of the two entities may receive the Proposition 1 water recycling research grant;
2. The grantee shall have been awarded funding by DOE prior to execution of the Proposition 1 water recycling research grant;
3. The grantee must maintain eligibility for and be able to accept Proposition 1 funds; and
4. The authority hereunder sunsets on June 30, 2019.

State Water Board action on this item will assist the Water Boards in reaching Goal 3 of the Strategic Plan Update: 2008-2012 to increase sustainable local water supplies available for meeting existing and future beneficial uses by 1,750,000 acre-feet per year, in excess of 2002 levels, by 2015, and ensure adequate flows for fish and wildlife habitat.
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